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SENATE BILL 518

48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008

INTRODUCED BY

Linda M. Lopez

AN ACT

RELATING TO PUBLIC HEALTH; REQUIRING DEVELOPMENT OF A
COMPREHENSIVE HOSPITAL TRANSPARENCY INFORMATION SYSTEM;
DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. SHORT TITLE.--This act may be cited as the
"New Mexico Hospital Transparency Act".

Section 2. DEFINITIONS.--As used in the New Mexico
Hospital Transparency Act:

A. "department" means the department of health;

B. "hospital" means a facility providing emergency
or urgent care, inpatient medical care and nursing care for
acute illness, injury, surgery or obstetrics. "Hospital"
includes a facility licensed by the department as an acute care
hospital or a rehabilitation hospital; and

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1 C. "secretary" means the secretary of health.

2 Section 3. HOSPITAL TRANSPARENCY INFORMATION SYSTEM
3 DESIGN.--The secretary shall develop a comprehensive hospital
4 transparency information system to provide for the collection,
5 compilation, coordination, analysis, indexing and use of
6 hospital performance data and statistics to produce and report
7 uniform health information and statistics, including hospital
8 infection rates, costs, uncompensated care, quality and
9 clinical outcomes. The secretary may designate or contract
10 with any appropriate person to implement the New Mexico
11 Hospital Transparency Act.

12 Section 4. SPECIFIC DUTIES.--The secretary shall:

13 A. develop and implement a long-range plan for
14 making hospital services outcomes and other specific
15 performance data available for public viewing;

16 B. by September 1, 2008, submit an initial plan
17 and, thereafter, an annual update to the plan and report on the
18 status of implementation to the governor, the president pro
19 tempore of the senate and the speaker of the house of
20 representatives, with copies to all members of the legislature
21 and available to the public on an internet web site. The
22 initial plan and annual updates shall identify the process and
23 time frames for implementation, barriers to implementation and
24 recommendations for changes in law or regulations to eliminate
25 barriers and improve the transparency report;

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1 C. make available clinical outcome measures from
2 hospitals and consider:

3 (1) inclusion of data on all patients,
4 regardless of the payer source for New Mexico hospitals, and
5 other information that may be required for consumers to assess
6 the value of the product;

7 (2) standards recognized by national
8 organizations and federal agencies that establish standards to
9 measure the performance of health care providers;

10 (3) data that are adjusted for severity and
11 acuity, using statistical methods that show variation in
12 reported outcomes and that have passed standard edits;

13 (4) reporting results with separate documents
14 containing technical specifications and measures;

15 (5) standardized reporting; and

16 (6) disclosure of the methods of reporting;

17 D. select a statewide association representing
18 hospitals that will provide the secretary with:

19 (1) the association's organizational documents
20 and rules;

21 (2) a plan outlining the organization's
22 consideration of the interests of health care consumers,
23 including health plans and employers; and

24 (3) its plans to organize an advisory group to
25 develop and implement infection rate reporting, including:

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1 (a) a professional in infection control
2 and epidemiology;

3 (b) a chief executive officer of a New
4 Mexico hospital;

5 (c) a representative of a statewide
6 medical review association;

7 (d) a representative of the university
8 of New Mexico health sciences center;

9 (e) a state epidemiologist; and

10 (f) a representative from a statewide
11 health care consumer advocacy organization;

12 E. examine and evaluate the collection, analysis
13 and validity of the data used as a basis for the report; and

14 F. ensure that the department is prepared to assume
15 the duties of implementing the New Mexico Hospital Transparency
16 Act if the organization selected to report does not complete
17 its contract, including use of the advisory group described in
18 Subsection D of this section and consideration of the interests
19 of health care consumers, health plans, employers and hospital
20 providers.

21 Section 5. COMPLIANCE WITH FEDERAL LAW.--Data collected
22 under the provisions of the New Mexico Hospital Transparency
23 Act shall not include personally identifiable health
24 information and shall be collected in compliance with the
25 limitations of the federal Health Insurance Portability and

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1 Accountability Act of 1996.

2 Section 6. REPORT.--The secretary shall issue a
3 transparency report to be made available on an internet web
4 site in a manner that allows consumers to conduct an
5 interactive search to view information for specific hospitals.

6 A. The web site shall include additional
7 information, including:

8 (1) instructions on ways to use the data; and

9 (2) an explanation of reasons that the data
10 may vary from hospital to hospital.

11 B. The secretary shall allow a hospital thirty days
12 for comment on and inclusion in the final hospital transparency
13 report for correction or for explanation of the data.

14 Section 7. APPROPRIATION.--Fifty thousand dollars
15 (\$50,000) is appropriated to the department of health for
16 expenditure in fiscal years 2008 and 2009 to establish a report
17 pursuant to the provisions of the New Mexico Hospital
18 Transparency Act prior to publishing the report on an internet
19 web site. Any unexpended or unencumbered balance remaining at
20 the end of fiscal year 2009 shall revert to the general fund.

21 Section 8. EMERGENCY.--It is necessary for the public
22 peace, health and safety that this act take effect immediately.